

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: November 29, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 2768 (Mr. Wm. Lacy Clay of Missouri).

**Proponent name, location:** Sensient Technologies, St. Louis, MO.

**Other bills on product (109<sup>th</sup> Congress only):** None.

**Nature of bill:** Extension of temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

**Suggested article description(s) for enactment (including appropriate HTS subheading(s)):**

m-Hydroxybenzaldehyde (CAS No. 100-83-4) (provided for in subheading 2912.49.25).

**Check one:**     No change to HTS heading 9902.01.67 is suggested.  
                   Different from that in bill as introduced (see Technical comments section).

**Product information, including uses/applications and source(s) of imports:**

m-Hydroxybenzaldehyde is a synthetic organic chemical used as an intermediate in the production of industrial dyes. It is imported from China.

**Estimated effect on customs revenue:**

| <b>HTS subheading: <u>2912.49.25</u></b> |          |          |           |           |           |
|--|----------|----------|-----------|-----------|-----------|
|  | 2005     | 2006     | 2007      | 2008      | 2009      |
| <del>Col. 1-General rate of duty</del>   | 5.5%     | 5.5%     | 5.5%      | 5.5%      | 5.5%      |
| Estimated value <i>dutiable</i> imports  | \$62,500 | \$75,000 | \$100,000 | \$100,000 | \$100,000 |
| Customs revenue loss <u>1/</u>           | \$3,438  | \$4,125  | \$5,500   | \$5,500   | \$5,500   |

1/ The estimated Customs revenue loss for 2005 and 2006 results from a duty suspension under HTS heading 9902.01.67 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

<sup>1</sup> Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Contacts with domestic firms/organizations (including the proponent):**

| Name of firm/organization   | Date contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? |
|---|----------------|---|----------------------|-------------------|
|   |                | (Yes/No)  |                      |                   |
| Sensient Technologies (Proponent)<br>Jim DeLisi, 908-332-8440               | 09/14/2005     | No  | No                   | No                |
| BASF Functional Polymers Bus. Group<br>Joseph C. Breunig, Fax: 704-587-7903 | 09/20/2005     | No  | No                   | No                |
| Bayer Corporation<br>Karen Niedermeyer, Fax: 412-777-4740                   | 09/20/2005     | No  | No                   | No                |
| ColorChem<br>Steve Printz, Fax: 770-993-4780                                | 09/20/2005     | No  | No                   | No                |
| Color Resources International Inc.<br>Wayne Jones, Fax: 864-862-6824        | 09/20/2005     | No  | No                   | No                |
| CPMA<br>Larry Robinson, Fax: 703-684-1795                                   | 09/20/2005     | No  | No                   | No                |
| Day-Glo<br>Richard Thornton, Fax: 216-391-1408                              | 09/20/2005     | No  | No                   | No                |
| DyStar L.P.<br>Van Hawkins, Fax: 704-561-3005                               | 09/20/2005     | No  | No                   | No                |
| ETAD North America<br>Tucker Helms, Fax: 202-296-8120                       | 09/20/2005     | No  | No                   | No                |
| Everlight USA, Inc.<br>Scott Chen, Fax: 704-588-0051                        | 09/20/2005     | No  | No                   | No                |
| LANXESS Corporation<br>Jamie B. Schaeffer, Fax: 412-809-3614                | 09/27/2005     | No  | No                   | No                |
| Milliken<br>Ray Sanders, Fax: 864-503-1618                                  | 09/20/2005     | No  | No                   | No                |
| Nation Ford Chemical Co.<br>John Dickson, Fax: 803-548-2683                 | 09/20/2005     | No  | No                   | No                |
| Noveon<br>Tom Dirmyer, Fax: 216-447-5720                                    | 09/20/2005     | No  | No                   | No                |

|  |            |    |    |    |
|--|------------|----|----|----|
| Passaic Color<br>John Wojciechowski, Fax: 973-279-3175 | 09/20/2005 | No | No | No |
| Rohm & Haas<br>Steven Volger, Fax: 215-592-2550        | 09/20/2005 | No | No | No |
| United Color<br>Tom Nowakowski, Fax: 215-860-8560      | 09/20/2005 | No | No | No |

**Technical comments:**<sup>3</sup> None.

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<sup>3</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2768

To extend the temporary suspension of duty on m-hydroxy benzaldehyde.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 2005

Mr. CLAY introduced the following bill; which was referred to the Committee  
on Ways and Means

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## A BILL

To extend the temporary suspension of duty on m-hydroxy  
benzaldehyde.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. M-HYDROXY BENZALDEHYDE ACID.**

4       (a) **IN GENERAL.**—Heading 9902.01.67 of the Har-  
5       monized Tariff Schedule of the United States (relating to  
6       m-hydroxy benzaldehyde) is amended by striking “12/31/  
7       2006” and inserting “12/31/2009”.

8       (b) **EFFECTIVE DATE.**—The amendment made by  
9       subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of enactment of this Act.

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